

MEDIA RELEASE

**Attention: News Director
For Immediate Release
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**U.S. DEPARTMENT OF JUSTICE
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**LOUISVILLE TAX PREPARER PLEADS GUILTY TO
FRAUDULENT TAX PREPARATION SCHEME**

– \$118,197 loss to the U.S. Treasury

David L. Huber, United States Attorney for the Western District of Kentucky, and Cleve Daniels, Special Agent In Charge, Internal Revenue Service, Criminal Investigation Division, Nashville Field Office, announced today that on March 28, 2007, **LINDA CONNIE LISTER**, age 54, of Louisville, Kentucky, pleaded guilty pursuant to a Plea Agreement to 6 counts of willfully aiding and assisting in the false preparation and filing of tax returns of others and 5 counts of fraudulently forging endorsements on United States Department of Treasury checks.

In the Plea Agreement **Lister** admitted to fraudulently preparing 34 separate income tax returns without the knowledge of the taxpayer on many occasions. The total loss to the U.S. Treasury caused by all of **Lister's** fraudulent conduct was \$118,197.79. She was often able to do this by showing the taxpayer one return but then filing a separate fraudulent return without the taxpayers knowledge. She was able to generate fraudulent refunds by either making up or grossly overstating itemized deductions, such as business expenses, medical expenses, and charitable contributions. **Lister** was able to steal the tax refunds by having refund checks mailed to her office and then fraudulently forging the endorsements on at least 25 different U.S. Department of Treasury

checks.

The charges to which she pleaded guilty were that between August 2002 and continuing until March 2005 **Lister** willfully prepared and filed fraudulent tax returns on multiple occasions and fraudulently forged endorsements on U.S. Department of Treasury checks on multiple occasions. Further, **Lister**, while owning and operating L & W Tax Services, prepared and filed fraudulent tax returns on many occasions without the knowledge of the taxpayer.

The maximum potential penalties are up to 68 years imprisonment, a fine of \$2,800,000, and supervised release for a period of three years.

The case is being prosecuted by Assistant United States Attorney Bryan R. Calhoun, and it was investigated by the Internal Revenue Service, Criminal Investigation Division.

The case is currently pending scheduling for sentencing in United States District Court.

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